



# USAID | UKRAINE

FROM THE AMERICAN PEOPLE

## THE GLOBAL DEVELOPMENT ALLIANCE



Graphic courtesy of UCAN

### What is a Global Development Alliance?

An alliance is an agreement between two or more parties to **jointly** define a development problem and **jointly** contribute to its solution. Alliance partners share resources, risks, and rewards in pursuit of an objective that can be better achieved working together. Its purpose: to bring about greater results through the combined strengths of multiple partners to address a development problem. The driving force is the recognition that each party is able to provide significant resources that the other does not have, and that together the parties can achieve greater value, more efficiently, than they could on their own.

USAID's guidelines for the GDA model currently seeks a minimum 1:1 matching of resources via alliances. While national and local governments, and other foreign aid donors are welcome members of alliances, *private sector talent and know-how are key to maximizing the impact of projects.*

### Alliance Partners can include:

- Private Businesses, Business and Trade Associations
- Foundations
- Philanthropic Leaders including Venture Capitalists
- NGOs, Charitable Organizations
- Regional, International Organizations
- Colleges, Universities
- Civic Groups
- Other Donor Governments, Aid Agencies, National Governments
- Advocacy Groups
- Others

### OVERVIEW

There has been a fundamental shift over the past two decades in the sources of funding for economic development around the world. An arena once dominated by official governmental assistance is now a stage for many actors. Non-government resources account today for 80% of the resource flow to developing economies, compared to just 30% in the 1970s. Many of these non-public resources are from the private sector.

There is also growing pressure on companies to innovate and to leverage their core competencies to help find solutions to the problems of poverty and development, such as: lack of access to medicines, water and sanitation; energy and food security; digital technology, credit and education. In short, business is being called upon to be a 'force for good' while remaining competitive and profitable.

This changing environment has required USAID, as the largest global bilateral donor, to rethink its development assistance strategy and create partnerships with the private sector, often referred to as *public-private alliances* or cross-sector partnerships. Within USAID they are known as *Global Development Alliances*. The alliance model incorporates pooled knowledge, skills, and resources of USAID, the private sector and other partners. It brings shared responsibilities and resource commitments to a particular collaborative activity. In creating such a relationship, USAID and its partners jointly identify solutions that capitalize on the expertise that each entity brings to the table. By working with partners, alliances have a multiplier effect by generating a greater impact than would have been realized if the partners worked independently.

Multi-stakeholder partnerships can be powerful catalysts for change and valuable mechanisms for delivering efficient, effective and equitable solutions to development challenges.

### OPPORTUNITIES

The Global Development Alliance serves as a catalyst to mobilize ideas, efforts and resources of the public and private sectors, and non-governmental organizations in support of shared objectives. Being in partnership allows USAID to build long-term quality relationships with other key players in society, quality relationships that stand the test of time, and enable important projects and programs to be developed appropriately to specific circumstances, and to become self-sustaining over time. Here is a brief overview of a number of projects where USAID is currently developing partnerships with local government, business and others. We welcome the interest of new partners.

### OUR PROGRAMS

#### Partnership for the Future of Alchevsk

The Alchevsk partnership began in September 2007 with the signing of a memorandum of understanding between USAID, the city of Alchevsk, and the Industrial Union of Donbas (ISD) and its Alchevsk Development Fund. The initiative to provide community development support to the city came after the city's water and heating system suffered several catastrophic failures over the previous few years. Today, the success of the Alchevsk effort depends on three key elements: a commitment to corporate social responsibility and a desire to help the city of Alchevsk by the ISD through its Alchevsk Development Fund; a commitment by the Alchevsk municipal leadership and Mayor Choob to focus its work on economic and community development; and a commitment by USAID to provide programs and technical expertise to support community and economic development. The project is a comprehensive and integrated effort to stimulate city development and can serve as a model for other Ukrainian cities. It consists of five separate components: developing an economic development strategy to spur local and

## Business and Development

Business not only offers financial resources for national development, but even more importantly managerial and technical skills, business standards and practices, as well as the infrastructure, connections, influence and a specific business culture. In certain areas, such as tackling corruption, helping to build sound governance institutions, or increasing access to basic services, the issues are either too politically sensitive or too complex for any one company to have the necessary legitimacy or resources to address it alone. In such cases, *collective corporate action*, preferably in partnership with government bodies, and with community participation, is the only viable option for achieving scale and making meaningful impact.



Photo by Antonina Yaresko

**2007 HIV/Aids Concert with stars taking center stage**

### Annual Program Statement

The Global Development Alliance (GDA) Annual Program Statement (APS) provides opportunities for partnership concepts to be submitted to USAID.

The 2008 APS is available at:  
[http://www.usaid.gov/our\\_work/global\\_partnerships/gda/aps\\_2008.pdf](http://www.usaid.gov/our_work/global_partnerships/gda/aps_2008.pdf).

This year's APS provides guidelines on working with the GDA business model and outlines the application process. Submissions should be made directly to the Ukraine mission via email:  
[vgrib@usaid.gov](mailto:vgrib@usaid.gov)

**To discuss these or other alliances or for more information, please contact USAID/Global Development Alliance Victoria Grib tel. (380 44) 537 4621 or Nancy Wildfeir-Field tel. (380 44) 537 4615, or visit <http://ukraine.usaid.gov>**

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foreign investment; restructuring the municipal budgeting process away towards performance program budgeting; organizing and empowering civil society and non-governmental organizations to make the needs and demands of Alchevsk's citizens known, while monitoring city government progress; reforming and modernizing the city's heating, water and waste treatment systems; and, community exchanges with U.S. towns to share international practices. USAID brought a number of its implementers to Alchevsk to address the challenges and help resolve the problems facing the city. As a result of effective implementation and coordination, ISD of Donbas agreed to contribute an additional \$10 million for project implementation through the Alchevsk Development Fund. Chairman of the ISD Board Sergey Taruta in an interview said: "ISD has a 12-year history of charity activity and the experience of social initiatives development. But we have never participated in such a comprehensive project. I believe that the form of our partnership, which includes private business, municipal authorities and USAID, will become the most successful format of our collaboration and help us reach our goals."

### The Partnership to Eradicate TB in Ukraine

Building on USAID's successful TB program that introduced the DOTS strategy approach in Ukraine, USAID has teamed with the Foundation for the Development of Ukraine, a local philanthropic foundation, to eradicate TB in Ukraine. The MOU between USAID and Foundation for the Development of Ukraine was signed in January 2008. Within this partnership, USAID is providing a tested model for treatment and prevention of TB, which will be rolled out more broadly within Ukraine with the support of private sector funding. Looking to the future, USAID will work with Foundation for the Development of Ukraine to attract additional partners to the alliance, to help address some of the other priority areas identified within our program and the broader alliance including, but not exclusively, an awareness and behavior change campaign, improved TB control and information platforms, sharing of best practice amongst practitioners.

### Partnership with Donbass Fuel and Energy Company

USAID and the Donbass Fuel and Energy Company (DTEK) have teamed up for a multi-year partnership in Ukraine. The alliance will craft strategic economic plans to generate new jobs and attract investment in seven cities across three oblasts. Mayors in each city will establish a public-private strategic planning committee to map municipal resources and assets. DTEK's \$150,000 donation will enable consultants experienced in local economic development to lead the planning process. The strategic plans will be signed off by the city's mayor and city council and executed via new economic development units.

The alliance follows hot on the heels of USAID's Local Economic Development Program in 40 Ukrainian cities that has already generated \$600 million in investment and created 12,000 jobs.

### Media Development

*The Strengthening Independent Media in Ukraine* program aims to protect the right of free speech, promote fair professional practices, increase the availability and quality of news, and ensure an independent, financially viable media. Program activities over the next several years will likely range from media literacy education to journalism school reform, from legal and legislative support to support for media NGOs, and from rating services to investigative journalism training.

### PROGRAM HIGHLIGHTS HIV/AIDS Prevention and Awareness

"Business Against AIDS" is a national association that was launched in Ukraine to build awareness and commitment among senior business and labor leaders in the fight against AIDS. TPAA assists "Business Against AIDS" member companies in implementation of HIV/AIDS non-discrimination policies and workplace education programs, as well as community efforts in the fight against HIV/AIDS. Partners have included: Coca-Cola, Durex, MTV and the Kaiser Family Foundation, among other, and have resulted in public service advertising, a national televised concert, journalism training and other key activities.